VZCZCXRO0098 PP RUEHCHI RUEHDT RUEHHM RUEHNH DE RUEHBK #3491/01 3311023 ZNY CCCCC ZZH P 261023Z NOV 08 FM AMEMBASSY BANGKOK TO RUEHC/SECSTATE WASHDC PRIORITY 5210 INFO RUCNASE/ASEAN MEMBER COLLECTIVE PRIORITY RUEHBJ/AMEMBASSY BEIJING PRIORITY 6544 RUEHBY/AMEMBASSY CANBERRA PRIORITY 9231 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 5383 RUEHUL/AMEMBASSY SEOUL PRIORITY 5086 RUEHWL/AMEMBASSY WELLINGTON PRIORITY 2522 RUEHCHI/AMCONSUL CHIANG MAI PRIORITY 5905 RHEHNSC/NSC WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 BANGKOK 003491

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TAGS: <u>ECIN PREL PGOV ASEAN TH</u>
SUBJECT: THAILAND PREPARES FOR ASEAN SUMMITS AMIDST

POLITICAL CRISIS

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Classified By: Political Counselor George Kent, Reason 1.4 (B, D)

SUMMARY

- 11. (SBU) Thailand will be ready for the ASEAN Summit meetings December 15-18, MFA Deputy Director General for ASEAN Affairs Manasvi Srisodapol told us on November 25 when we met to discuss the upcoming ASEAN and related summits (reftel). ASEAN Secretary General and former Thai Foreign Minister Surin Pitsuwan expanded this year's meetings to include an ASEAN-United Nations Summit with UN Secretary General Ban Ki-moon, and an "ASEAN Global Dialogue" to which the heads of the UN, WTO, IMF, ADB, and several relevant UN agencies have been invited. Manasvi welcomed the US presence at the Summit. The RTG continued its push to have the parliament approve conventions and agreements expected to be signed or announced during the Summit, with more than 30 documents anticipated to be signed by ASEAN leaders. Summit discussions will touch on the future ASEAN community, the ASEAN Human Rights Body, trade and investment agreements, the global financial crisis, Burma, and North Korea.
- $\underline{\$}2$. (C) Comment: The latest phase in the ongoing Thai political crisis, which closed Bangkok's international airport November 25-26, has the potential to affect Summit planning. The airport closure forced the plane carrying ASEAN SecGen Surin to turn back to Jakarta late November 25; Surin suggested to a close Thai friend that the Thai Government may be forced to consider postponing the summit. END SUMMARY AND COMMENT.

ASEAN Summit Still on Track, For Now

13. (SBU) We raised reftel issues with Deputy Director General for ASEAN Affairs Manasvi Srisodapol on November 25. He remains hopeful that the country will be able to successfully host the various ASEAN-centered Summits in December despite Thailand's ongoing political crisis. Prime Minister Somchai Wongsawat chose to shift most meetings to Chiang Mai, a stronghold for his People's Power Party, in hopes that the northern city would provide a more secure environment for the visiting heads of government, given the political unrest in

Bangkok. However, the ASEAN-UN summit and Global Dialogue would occur in Bangkok December 17-18 to accommodate an Audience with King Bhumibol Adulyadej.

14. (C) According to Manasvi, the agenda remains very fluid, changing nearly every hour. While the specific topics for the various forums are still undecided, Manasvi said he expects the Summit to follow the traditions of years past. Many of the key political issues will be discussed during the informal working dinner on December 15. Note: The ASEAN Business and Investment Summit, as well as an outreach event with civil society representatives, will be held in Bangkok from December 13 to 15, immediately prior to start of the Chiang Mai Summit.

US Presence Welcomed at ASEAN, Russians in 2009?

- 15. (C) Manasvi praised Ambassador Scot Marciel's plan to participate in the ASEAN Summit. Manasvi noted that while Ambassador Marciel and other dialogue partners' ambassadors to ASEAN will be invited to the opening ceremonies on the first day and the gala dinner on the second night, he expects ASEAN Secretary General Surin to expand the invitations to other non-summit events as well. Manasvi also hopes that the United States would consider an ASEAN-US Summit in 2009 during the Thai Chairmanship, extending an informal invitation to President-elect Obama.
- 16. (SBU) Manasvi professed surprise at reports from APEC in Peru that PM Somchai had invited Russian President Medvedev to attend a Russian-ASEAN summit in Thailand, since Russian officials had told the Thai earlier in 2008 that Medvedev would be busy with "immediate neighbors" initially. Manasvi

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said that the MFA had been looking to a possible ASEAN-Russian summit in 2009 and speculated Somchai's invite concerned next year.

RTG Push to Approve ASEAN Documents Prior to Summit

- ¶7. (SBU) Under the new Constitution's Article 190, any foreign negotiations, agreements, or treaties require prior endorsement from parliament. After People's Alliance for Democracy (PAD) protestors blocked legislators from attending a November 24 meeting to consider the various accords, the RTG and parliament agreed to hold a special legislative session on December 8 and 9 to approve the ASEAN-related agreements. Manasvi told us that the Ministries of Foreign Affairs and Commerce actively lobbied within parliament to have all of the documents approved in the larger body, without seeking prior subcommittee approvals. Manasvi said that opposition party leader Aphisit Vejajiva is working with the government to ensure passage of the ASEAN documents during the December 8-9 special session. If Thailand failed to secure parliamentary approval, the agreements would go forward on an "ASEAN minus X" basis.
- 18. (SBU) More than 30 documents are expected to be signed, approved, or noted by the leaders of ASEAN and its partners during the three summits. Manasvi mentioned the following agreements, and said that he had urged interagency colleagues to provide clear summaries to parliamentarians, offer seminars, and post information on websites in an effort to address the transparency concern at the heart of Article 190's intent:
- Roadmap for the ASEAN Community
- Millennium Development Goals for ASEAN
- ASEAN Political-Security Community Blueprint
- ASEAN Social-Cultural Community Blueprint (2009-2015)
- ASEAN 3 on Food Security and BioEnergy Cooperation
- EAS Disaster Management
- Food Security in the ASEAN Region

- ASEAN Trade in Goods Agreement (ATIGA)
- ASEAN Comprehensive Investment Agreement (ACIA)
- ASEAN-Australia-New Zealand Free Trade Agreement
- ASEAN-India Free Trade Agreement
- ASEAN-Australia Development Cooperation Program
- ASEAN-China Center
- Thailand's accession to the ASEAN-Korea Free Trade Agreement
- ASEAN-China Agreement on Technical Barriers to Trade
- ASEAN-China Agreement on Intellectual Property Cooperation
- ASEAN 7th Package of Commitments under the ASEAN Framework
- Mutual Recognition Agreement on Good Manufacturing Practice of Medicinal Products

Human Rights Body Negotiations to Continue into 2009

19. (SBU) The Ministry of Foreign Affairs will alert Parliament about the Framework for the ASEAN Human Rights Body, which will develop according to an "evolutionary process." Thailand hopes to have Terms of Reference approved by Ministers in July and the body "launched" by the 2009 ASEAN Summit. However, Manasvi doubts that the body would be operational or staffed by that time.

ASEAN Trade and Investment Agreements

- ¶10. (SBU) One of the more important economic deliverables for Thailand at the ASEAN Summit would be to join the ASEAN-Korea Free Trade Agreement. Thailand was the only ASEAN nation to not join the agreement when it was first signed in 2006. Korea is Thailand's eighth largest trading partner, representing more than \$7 billion in bilateral trade annually. Thailand had expressed concerns about Korea's treatment of agricultural products, particularly rice and livestock, but the two countries were able to reach an agreement in 2007. However, a parliamentary blessing is required in order for Thailand to join the FTA.
- 111. (SBU) Other significant trade and investment agreements
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that will be forwarded to the parliament for approval prior to the Summit include the ASEAN-India Goods agreement, the ASEAN-China Investment agreement, the ASEAN-Australia-New Zealand FTA, the ASEAN Trade in Goods Agreement, and the ASEAN Comprehensive Investment Agreement. The Ministries of Foreign Affairs and Commerce have both expressed concern about the potential ramifications on Thailand's economy if the government does not receive the required Article 190 approvals.

Protecting ASEAN from the Global Financial Crisis

112. (C) Manasvi anticipated that ASEAN will finalize the strengthening and expansion of the Chiang Mai Initiative (CMI), a pool of bilateral currency swaps created during the 1997 Asian Financial Crisis. The proposed plan, approved at the Asia-Europe Meeting (ASEM) in Beijing in October, would turn the Initiative into an \$80 billion multilateral facility to stave off any negative effects from the global financial crisis. The expanded CMI would include the ASEAN 3 partner countries (China, Japan, and Korea), and would allow member countries who are experiencing financial difficulties to borrow foreign currency from another member to augment its own foreign reserves, without seeking the assistance of international lenders like the International Monetary Fund.

Regional Cooperation: Burma and North Korea

¶13. (C) According to Manasvi, an ASEAN team is negotiating the final details of the post-Nargis recovery plan in Rangoon with the goal to present the plan at the Summit. Manasvi also expects Burma to be a significant topic of discussion

with UN Secretary General Ban Ki-moon during the ASEAN-UN Summit. Manasvi said that the Tripartite Core Group, composed of ASEAN, UN, and Burma, remains the only positive channel to engage Burma with the international community, but he acknowledged it was unclear how Burma viewed the tripartite mechanism. According to Manasvi, ASEAN supports the UN role to promote democracy and the reconciliation process.

114. (C) Manasvi told us that Prime Minister Somchai would include North Korea security issues in the Chair's Statement at the ASEAN 3 meetings. The 3 partners (China, Korea, and Japan) have encouraged Thailand to do so, but Thailand will likely deliver a "soft" message. Manasvi noted that Thailand would like North Korea to join the ASEAN Regional Forum Ministerial in July, and therefore, does not want to deliver an overly critical statement.

Increasing ASEAN's Capacity

115. (C) Thailand is very supportive of ASEAN Secretary General Surin's efforts to address resource constraints at the ASEAN Secretariat. Thailand is well aware of the budget concerns from some of the less developed ASEAN members and supported Surin's three-year timeline for restructuring. Manasvi also informed us that an ASEAN selection panel would meet within the next week to appoint new Deputy Secretary General positions — one position would be responsible for the ASEAN Economic Community plans, and the second position would oversee community affairs. These would be in addition to the current Deputy Secretary General positions that focus on political and social affairs.